[28 November, 2006]

RAJYA SABHA

Open sky policy

558. SHRIMATI PREMA CARIAPPA: SHRIMATI SHOBHANA BHARTIA:

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether Directorate General of Civil Aviation has moved a proposal to follow an open sky policy for four months beginning from November, 2006;
- (b) if so, whether during the open sky policy, international airlines are allowed to increase frequency or bring in larger aircraft irrespective of capacity that they are allowed under the existing air services bilateral agreement;
- (c) if so, whether Government are keen to ensure passengers do not feel inconvenience and seats are easily available during the upcoming winter season; and
 - (d) if so, by when a final decision in this regard is likely to be taken?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) to (d) To meet the additional traffic demand during the peak winter season, a limited open sky policy has been declared by the Government for the period 15th December, 2006 to 31st January, 2007. Under this policy, all designated foreing airlines are permitted to mount as many services as they wish to their available points of call. Besides, they are also permitted to upgrade their equipment at their descretion on their existing frequencies during the period 15th November, 2006 to 28th February, 2007.

Merger of Air India and Indian Airlines

559. SHRI AMAR SINGH: SHRI VEDPRAKASH P. GOYAL: SHRI ABU ASIM AZMI:

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether it is a fact that Government are planning to merge Air India and Indian Airlines;
 - (b) if so, the reasons therefor; and
- (c) the details of benefits of this merger for Government and all employees?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) The proposal of merger of the two airlines is under active consideration of the Government.

(b) and (c) The merger of the two airlines is likely to provide following benefits: (i) Provide an integrated international/domestic footprint which will significantly enhance customer proposition and allow easy entry into one of the three global airline aliances; (ii) Enable optimal utilization of existing resources through improvement in load factors and yields on commonly serviced routes as well as deploy 'freed up' aircraft capacity on alternate routes; (iii) Provide an opportunity to fully leverage strong assets, capabilities and infrastructure; (iv) Potential to launch high growth & profitability businesses (Ground Handling Services (GHS); Maintenance, Repair & Overhaul (MRO) etc.; (v) Potentially enable merged entity to command better valuation; (vi) Operate a combined fleet strength, which will be largest in India and comparable to other airlines in Asia/Region; (vii) Provides maximum flexibility to achieve financial and capital restructuring. Above benefits leading to improvement in the prospects of the Company are expected to translate into better prospects for all the employees.

Theft at airports

†560. SHRI MOTILAL VORA: SHRIMATI PREMA CARIAPPA:

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) whether certain incidents of thefts in the flights between Delhi-Mumbai, Delhi-Kolkata and Mumbai-Kolkata have come to notice;
 - (b) if so, the details thereof;
- (c) the extent of loss incurred by each passenger as a result of such thefts and the compensation given by the airline to make up for the loss; and
- (d) the action taken by Government in order to check such type of incidents in future?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) to (d) The information is being collected.

[†]Original notice of the question was received in Hindi.